Supreme Court, U.S.
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No. 97-311

In The

Supreme Court of the United States

October Term, 1996

GILBARCO INC.,

Petitioner,

v.

OCTEL COMMUNICATIONS CORP.,

Respondent.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

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QUESTION PRESENTED

Whether the district court and the Federal Circuit properly found that Respondent Octel was entitled to summary judgment that the patent at issue is unenforceable where the clear, convincing and unrebutted evidence showed that:

(a) more than one year before the patent application was filed ("the critical date"), one of the inventors of the patent, Dr. Lotito, and his company, Delphi, conducted a sales campaign during which they offered to sell to a third party a system which admittedly contained all elements of claim 1 of the patent;

(b) prior to the critical date, Delphi published at least three other publications which also disclosed the system of claim 1;

(c) Dr. Lotito was personally aware of and/or created all of these anticipatory publications and the offer for sale;

(d) Dr. Lotito failed to disclose to the Patent Office any of these anticipatory publications or the offer for sale;

(e) Dr. Lotito submitted a declaration falsely denying the existence of these anticipatory publications and the offer for sale; and

(f) there was no evidence of Dr. Lotito's good faith.

STATEMENT PURSUANT TO RULE 29.6

Respondent Octel Communications Corp. has no parent companies[1] or subsidiaries, other than wholly owned subsidiaries.

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[1] There is a pending acquisition of Octel Communications Corp. by Lucent Technologies, Inc.

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Pet. App.	–	Appendix to Gilbarco's Petition filed in this Court
*A*___	–	Joint Appendix of Record filed in the U.S. Court of Appeals for the Federal Circuit (the court below)
Gilb. App. Br.	–	Gilbarco's Appellant's Brief filed in the Federal Circuit below
'081 patent	–	The patent at issue – Gilbarco's U.S. Patent No. 4,625,081
Delphi	–	Delphi Communications Corp., the former affiliate of Gilbarco which originally was assigned the '081 patent
SPCC	–	Southern Pacific Communications Corp.
Dr. Lotito	–	Larry Lotito, V.P. of Marketing of Delphi
Mr. Roth	–	Gregory Roth, Esq., the attorney who prosecuted the '081 patent

INTRODUCTION

This is a patent case in which the undisputed record demonstrates that an inventor of the patent at issue committed inequitable conduct before the Patent Office. The case concededly presents no split among the Circuits, no constitutional issues, and no unresolved issues of federal law. There is also no doubt that both the district court and the Federal Circuit recognized and applied the correct precedents from this Court in granting and affirming summary judgment. Reduced to its essence, Gilbarco's petition therefore is simply an invitation to review a fact-specific application of established summary judgment standards in a complex patent case, based on nothing more than the same unsubstantiated arguments Gilbarco already has advanced and the courts below already have rejected *four* times. This Court should reject that invitation.

First and foremost, the courts below made (and affirmed) the correct decision on the merits. Despite Gilbarco's repeated exhortations to the contrary, the *evidence* in this case was entirely one-sided and unambiguous. One of the inventors of the patent undisputedly supervised a massive effort to sell the patented invention – an effort that culminated in at least one sale more than a year before the patent application was filed. He also distributed or knew of three publications describing the patented invention, each of which was publicly circulated more than one year prior to the patent application.

Had the Patent Examiner known of either the sales efforts or the publications, the invention would have been unpatentable under 35 U.S.C. § 102(b). The inventor was

obligated to come forward with this information. But he did not. Instead, he submitted a declaration to the Patent and Trademark Office representing that he had no knowledge of the sales efforts or publications.

These documented facts establish a *prima facie* case of inequitable conduct. Yet Gilbarco never submitted *any* evidence to rebut (or create a genuine factual issue concerning) any of these facts. Instead, the inventor (and the attorney who prosecuted the patent) refused – on more than one hundred and fifty occasions – to testify as to why the publications and the sales efforts were not disclosed to the Patent Office. Indeed, so egregious (and indisputable) was the inventor's misconduct in this case that he never submitted even a conclusory declaration denying his intent to deceive the Patent Office. Accordingly, the district court properly granted and the Federal Circuit properly affirmed summary judgment.

Gilbarco's petition casts no doubt on the propriety of these decisions. Purporting to rely on this Court's decisions in *Anderson v. Liberty Lobby, Inc.* and *Masson v. New Yorker Magazine, Inc.* (which were cited below), Gilbarco essentially contends that, because this case involved inequitable conduct (and therefore issues of intent), summary judgment was *a priori* inappropriate. Such an argument, however, misstates this Court's precedents and proves far too much: where, as here, a non-movant submits *no evidence* on the issue of intent, summary disposition is inarguably appropriate.

Finally, Gilbarco criticizes the unanimous rejection of its arguments by the courts below. In effect, Gilbarco argues (as does every petitioner against whom summary

judgment has been entered) that the courts below somehow missed genuine issues of material fact. Gilbarco is wrong, and its efforts to replay its highly fact-specific arguments regarding the materiality of the withheld materials and the deceptive intent of the patent inventor do not warrant this Court's review. Accordingly, the petition should be denied.

COUNTERSTATEMENT OF THE CASE

Gilbarco's statement of the case is replete with inaccuracies and assertions that find no basis in the record. A review of the evidence, however, demonstrates a clear and convincing case of inequitable conduct.

To obtain summary judgment on this issue, Octel was required to make a threshold showing that Dr. Lotito, a co-inventor of the patent at issue (the '081 patent), (1) withheld or misrepresented material prior art, and (2) did so with deceptive intent. *See Pet. App.* at 6a; *J.P. Stevens & Co. v. Lex Tex Ltd.*, 747 F.2d 1553, 1559-60 (Fed. Cir. 1984), *cert. denied*, 474 U.S. 822 (1985).[2] In this case, the record reveals no fewer than five separate instances of inequitable conduct – an undisclosed offer for sale, three undisclosed prior publications, and a false declaration stating that all material prior art had been disclosed to the Patent Office. Any one of these is sufficient to support the decisions below and to render the '081 patent unenforceable.

[2] Dr. Lotito served both as a consultant and a fact witness for Gilbarco in this matter and received $150 for each hour he spent on the case.

Molins PLC v. Textron, Inc., 48 F.3d 1172, 1182 (Fed. Cir. 1995).

A. Undisclosed Prior Offer for Sale and Publications

More than one year prior to the filing of the '081 patent application (*i.e.*, before November 30, 1981 or the "critical date"), Dr. Lotito orchestrated and supervised a massive campaign on behalf of his employer, Delphi, to sell Delphi's Delta 2 voice messaging system. *A1258, A1262, A1114-15, A1208-09, A1216-20, A1227-31.* This system comprised the claimed subject matter of the '081 patent. *A910-34, A1460-61, A1165.*

As part of this campaign, Delphi submitted a fifty-page sales proposal to SPCC in February 1981, months before the critical date (the "SPCC Proposal"). *A1669-70.* The SPCC Proposal disclosed all of the later-claimed functions and features of the voice messaging system claimed in the '081 patent, and promised delivery of a completed system (including hardware and software) two months before the critical date, for a price of $1,989,700. *A1294, A1308.* This sales proposal and numerous other contemporaneous documents authored by Dr. Lotito himself establish beyond genuine dispute that, prior to the critical date, Delphi achieved "SALES SUCCESS," obtained an order letter from SPCC, and received a $250,000 check for the voice messaging system offered for sale in the SPCC Proposal. *A1344, A1203.*

In addition to the sales offer made to SPCC, the uncontroverted record further establishes that, prior to the critical date, Delphi and Dr. Lotito published and distributed at least three additional documents, which are known as the "D-VMS Brochure," the "User's Guide,"

and the "1981 Probe Paper." *A1133, A1414-22, A1649-50, A1136-38, A1424-38, A1099, A1440-56.* Each of these documents also disclosed the later-claimed functions and features of Delphi's Delta 2 voice messaging system. *A910-34*

It is undisputed that none of these prior art sales efforts and none of the prior art publications was ever disclosed to the Patent Examiner.

B. Materiality of Withheld Prior Art

There is also no genuine dispute that all of this withheld prior art would have been important to a reasonable examiner – *i.e.*, material – in evaluating whether to allow (at least claim 1 of) the '081 patent. *See A910-34*; 37 C.F.R. § 1.56 (1982) (Pet. App. at 20a). For example, the "Delta 2" system – the express subject of all of the withheld prior art – is mentioned seventeen times in the specification of the '081 patent itself. *A912 n.2.* And the attorney who prosecuted the '081 patent application told the Patent Office that the patented voice messaging system "is referred to as 'Delta 2.' " *A1165.* Most importantly for present purposes, however, *Gilbarco and its own expert have conceded that every element of claim 1 of the patent is found in each of these four withheld items of prior art.*[3]

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[3] Gilbarco's expert admitted in his report that each of the withheld items of prior art disclosed all but one of the elements of claim 1. *A5593-94.* In a subsequently filed motion, however, Gilbarco took the position that this allegedly missing element was *not* required by claim 1, thus confirming that each of the items of withheld prior art anticipates (*i.e.*, renders invalid) claim 1. Pet. App. at 8a-9a; *A3453a.*

In an effort to sidestep this critical concession, Gilbarco argues that there are two "factual issues" precluding a summary holding of materiality. Gilbarco is wrong on both counts.

Gilbarco first asserts that the invention was not yet "complete" at the time of the SPCC Proposal and that Dr. Lotito was therefore not obligated to disclose the offer described in the Proposal to the Examiner. This argument is without merit. An invention offered for sale need not be complete (*i.e.*, "reduced to practice") in order for the offer to constitute material prior art that must be disclosed to the examiner. *UMC Elecs. Co. v. United States*, 816 F.2d 647, 656 (Fed. Cir. 1987), *cert. denied*, 484 U.S. 1025 (1988). Rather, in determining whether the SPCC Proposal "offered for sale" the detailed system that it describes, the "inquiry is whether the inventor thought he had a product which could be and was offered to customers." *Paragon Podiatry Lab., Inc. v. KLM Labs., Inc.*, 984 F.2d 1182, 1187 (Fed. Cir. 1993); *accord Sonoscan, Inc. v. Sonotek, Inc.*, 936 F.2d 1261, 1263 (Fed. Cir. 1991).

In this case, the facts set forth in the SPCC Proposal itself definitively answer that question. According to the February 1981 Proposal, Delphi was ready, willing, and able to deliver a fully functional system to SPCC in "September 1981 [two months before the critical date] . . . [i]f a firm order is received by March 1, 1981." *A1294*. Furthermore, Gilbarco admits that Delphi (and Dr. Lotito) offered to (and did) sell a completed Delta 2 *computer* to SPCC well before the critical date, and that the Delta 2 computer itself was described – even by the

attorney who prosecuted the patent on Dr. Lotito's behalf – as prior art to the '081 patent. *A1196.*[4]

Gilbarco's next argument – that the withheld publications were not "detailed" enough to require disclosure to the Examiner – is equally unavailing. As the principal support for this position, Gilbarco argues that the number of pages included in the '081 patent application greatly exceeds the number found in each of the withheld documents. Pet. at 11 & n.12. Even if page count were the correct measure of materiality, however, Gilbarco's argument misses the mark. Gilbarco strenuously argued below that a single page, schematic diagram found in another document is "material prior art." *E.g., A7926.* But there can be no genuine dispute that the withheld publications each contained far more information about the invention claimed in the patent and the pre-critical date commercialization of the invention than does that single page diagram. *See* Pet. App. at 9a; *compare A1682 with A1414-22, A1424-38, A1450, A1453, A1455. A fortiori,* the withheld documents were sufficiently detailed to constitute material prior art.

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[4] Moreover, despite the snippets of testimony quoted out of context in the petition, the record is clear that the Delta 2 voice messaging system sold by Delphi to SPCC was complete – in all relevant respects – prior to the critical date. Gilbarco admits that the hardware and software "building block documents" of that system were completed before the critical date and that *all* that remained to be done was to translate the completed software flow charts into computer code. *Gilb. App. Br.* at 15-16. But, as the Patent Examiner ruled when he struck as "unnecessary" the final computer code from the original specification, the final written computer code plainly is *not* necessary for a "complete" description of the claimed invention. *A1627.*

Moreover, and in any event, both of Gilbarco's arguments regarding materiality depend on the unstated assumption that the withheld offer for sale and publications are material *only* if it is undisputed that they would have barred the issuance of the '081 patent. But this assumption is incorrect. Under this Court's precedent, a patent applicant has an "uncompromising duty" of candor, *Precision Instr. Mfg. Co. v. Automotive Maintenance Mach. Co.*, 324 U.S. 806, 818 (1945), and that duty requires disclosure of *any* information that a "reasonable examiner would consider . . . *important* in deciding whether to allow the application to issue as a patent." 37 C.F.R. § 1.56 (emphasis added); *accord J.P. Stevens & Co.*, 747 F.2d at 1559.

Applying this standard, Dr. Lotito obviously was required to disclose items that unquestionably would have barred patentability. But he *also* was required to disclose any "information" about documents that *may have been* prior art publications and about activities that *may have constituted* prior art offers to sell if there was a "substantial likelihood that a reasonable examiner" could conclude that such "information" could have barred patentability. It was for the Patent Examiner – not Dr. Lotito – to review such information and determine whether it constituted a bar to patentability.[5]

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[5] This is particularly true where, as here, the withheld information concerns the applicant's own pre-critical date commercial activity. Because the Patent Examiner does not have independent access to information regarding the applicant's commercial activities, it is "all the more necessary that the [applicant's product] should have been disclosed to the examiner." *LaBounty Mfg., Inc. v. ITC*, 958 F.2d 1066, 1076 (Fed. Cir. 1992).

Thus, even if Gilbarco had presented evidence making this a "close" case (which it did not), "[c]lose cases should be resolved by *disclosure*, not unilaterally by the applicant." *LaBounty*, 958 F.2d at 1076 (emphasis added); *accord Paragon*, 984 F.2d at 1193 n.10 (no genuine issue of fact as to materiality where there is a dispute concerning whether withheld information is prior art). The withheld items therefore are material as a matter of law.

C. Knowledge of Materiality and Intent To Deceive

The second element of inequitable conduct, deceptive intent, "need not, and rarely can, be proven by direct evidence." *Merck & Co. v. Danbury Pharmacal, Inc.*, 873 F.2d 1418, 1422 (Fed. Cir. 1989). Instead, in most cases of inequitable conduct, the defendant establishes such intent with circumstantial evidence, demonstrating, for example, that an inventor committed an unexplained violation of the duty of candor owed to the Patent Office. *See, e.g., Paragon*, 984 F.2d at 1192.

Here, the uncontroverted record demonstrates that Dr. Lotito personally knew of and/or created each of the withheld, highly material prior art documents and was thus fully aware of and understood their contents. *See A1099, A1133-35, A1136-38, A1649-50, A1114-15.* And, as an inventor of the '081 patent, Dr. Lotito necessarily knew and understood the elements of his own invention. *See, e.g., A5536, A6807-08.* Accordingly, there can be no genuine dispute that Dr. Lotito fully appreciated what the parties agreed upon: the documents Dr. Lotito withheld from the Patent Examiner clearly disclose the elements of the Delta 2 system claimed in the '081 patent.

D. Submission of False Declaration to the Patent Office

Nevertheless, despite his intimate knowledge of both the '081 invention and the withheld prior art, Dr. Lotito submitted a declaration to the Patent Office in which he falsely swore that he did not know of any publications describing or offers to sell the claimed invention before the critical date. *A1640.*[6]

E. Gilbarco's Failure to Rebut Octel's Prima Facie Case

This record presented a *prima facie* case of inequitable conduct. Thus, when Octel moved for summary judgment, the burden shifted to Gilbarco to offer material facts rebutting Octel's showing or demonstrating a genuine dispute as to some fact material to a finding of inequitable conduct. *See* Fed. R. Civ. P. 56(e); *Celotex Corp. v.*

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[6] Reflecting the desperation underlying its petition, Gilbarco characterizes this declaration as *"pro forma,"* attempting to downplay its significance. Pet. at 10 & n.9. In fact, however, the declaration was signed subject to penalty of perjury, and its submission to the Patent Office was an absolute prerequisite to obtaining patent protection. 37 C.F.R. § 1.65 (1982) (*see* Pet. App. at 21a). Tellingly, in its attempt to explain away Dr. Lotito's blatant misconduct in signing and submitting this knowingly false affidavit, Gilbarco cites no *evidence.* Instead, Gilbarco offers only counsel's unsupported speculation that Dr. Lotito *"could* reasonably have believed" that the invention was not on sale. Pet. at 11 (emphasis added). But evidence – not speculation – is required to defeat summary judgment. *Matsushita Electric Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 593-95 (1986).

Catrett, 477 U.S. 317, 324 (1986). Gilbarco did not offer any such evidence.

Instead, Gilbarco pursued a calculated strategy of invoking the attorney-client privilege (more than one hundred and fifty times), to leave the record barren of any evidence that Dr. Lotito had *any* basis, much less a good faith basis, for withholding the prior art and submitting a false declaration. In particular, Gilbarco instructed Dr. Lotito *not* to testify about *whether* he disclosed to, or discussed with, Mr. Roth, the attorney who prosecuted the patent, any of the withheld prior art documents or pre-critical date sales activities. *A1545-46, A1103-10, A1119-22, A1125-33.* Dr. Lotito also was instructed *not* to testify about why none of the withheld documents or facts was disclosed to the Examiner. *A1128, A1130-31, A1138, A1142.* Gilbarco likewise instructed Mr. Roth (and the remaining '081 patent co-inventors) not to testify about any of the foregoing topics. *E.g., A1556-61, A1583-84, A1184-85, A1606, A1186-90, A1526-28, A1536-38, A1467-69.* By its sweeping invocation of the privilege, Gilbarco blocked all paths of inquiry, thus ensuring the complete absence of any evidence concerning Dr. Lotito's supposed good faith in withholding the highly material prior art and in submitting a false declaration.[7]

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[7] Indeed, so pervasive was Gilbarco's invocation of the privilege that the witnesses were instructed not to make even a conclusory statement denying that they intended to deceive the Patent Examiner by withholding the prior art discussed above. *E.g., A1580-81, A1585, A1599-1600, A1606, A1608-10, A1611-12, A1176-78, A1186, A1187-89.*

As below, Gilbarco's petition seeks to paper over this gaping void in the record with rank speculation. For example, Gilbarco repeatedly asserts that Dr. Lotito gave the withheld documents to the attorney (Mr. Roth) who prosecuted the '081 patent. For that assertion, Gilbarco relies principally on Dr. Lotito's statement that he "turned over to [the attorneys] all the files [he] had." *A8052*. But when asked whether he gave Mr. Roth the four documents actually at issue in this case (the SPCC Proposal, D-VMS Brochure, User's Guide, and Probe Paper), *Dr. Lotito wouldn't answer*. *A1545-46, A1103-10, A1112, A1117, A1119-22, A1125, A1132*. And to the extent there is any *evidence* in the record at all on this subject, that evidence indicates that Dr. Lotito hid the documents not only from the Patent Examiner but from Mr. Roth as well. More specifically, Gilbarco admits that, despite supposedly giving Mr. Roth "all" of his files, Dr. Lotito did *not* give him at least one of the four pieces of withheld prior art. *See* Pet. at 9 (failing to list 1981 Probe Paper). And Dr. Lotito himself testified "I just don't recall today what was exactly in those files . . . and things could have been removed or for whatever reason." *A1141*.[8]

Furthermore, as with its arguments regarding materiality, Gilbarco's contentions regarding the transfer of

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[8] Left by its own stratagem with no evidence, Gilbarco turns to unsupported assertions concerning a letter written by Mr. Roth seven years after the patent issued. Pet. at 8 & n.7. But that letter does not identify *any* of the four items of withheld prior art and therefore sheds no light on the questions of whether Dr. Lotito gave any documents to Mr. Roth at the time of the patent prosecution (seven years earlier) and if so, which ones. *A8069*.

documents to Mr. Roth rest on an unarticulated (and incorrect) assumption. In particular, Gilbarco's argument seeks to equate the supposed transfer of documents to Mr. Roth with the speculative assumption that Mr. Roth might have rendered legal advice to Dr. Lotito, justifying Dr. Lotito's misconduct. But there is not even a scintilla of evidence to support this speculative assumption because Gilbarco deliberately and repeatedly refused to allow either Dr. Lotito or Mr. Roth to reveal (1) whether Mr. Roth gave Dr. Lotito any legal advice about the withheld prior art, (2) what that advice was, (3) whether Dr. Lotito followed it, and even (4) whether there was an intent to deceive the Patent Office. *See, e.g., A1130-31, A1138, A1142, A1187.*

Faced with this record, the district court properly relied upon and applied this Court's precedents in granting summary judgment. *See* Pet. App. at 4a-6a (citing *Celotex, Anderson, Matsushita* and *Masson*). On appeal, the Federal Circuit evaluated the district court's analysis and found Gilbarco's arguments so unpersuasive that it affirmed without written opinion. *See* Pet. App. at 19a.

REASONS FOR DENYING THE WRIT

The sole basis for Gilbarco's petition is that the courts below misapplied this Court's well established summary judgment standards not once but *four* times.[9] On its face,

[9] The district court rejected the arguments raised by Gilbarco's petition (as well as a half dozen others Gilbarco has now abandoned) both at summary judgment and on Gilbarco's

such an argument presents no ground for review. Indeed, this Court has made clear that "[a] petition for a writ of certiorari is *rarely granted* when the asserted error consists of . . . the misapplication of a properly stated rule of law." Sup. Ct. R. 10 (emphasis added). Gilbarco has made no showing that such exceptional treatment is required in this case. To the contrary, a host of factors militate against a grant of review.

First, the courts below are abundantly familiar with this Court's summary judgment precedents. Both the district court and the Federal Circuit regularly interpret and apply the standards articulated in those precedents. *See, e.g., General Teamsters, Warehousemen & Helpers Union, Local 890 v. National Refractories & Minerals*, No. 93-20285 SW, 1993 WL 248696 (N.D. Cal. June 25, 1993) (Ware, J.) (granting plaintiff's summary judgment motion), *aff'd*, 48 F.3d 1227 (9th Cir.), *cert. denied*, 116 S. Ct. 181 (1995); *Yin v. State of California*, No. C94-20116 JW, 1994 WL 594043 (N.D. Cal. Oct. 21, 1994) (granting defendants' motions for summary judgment), *aff'd*, 95 F.3d 864 (9th Cir. 1996), *cert. denied*, 117 S. Ct. 955 (1997); *Sinskey v. Pharmacia Ophthalmics, Inc.*, 982 F.2d 494, 496 (Fed. Cir. 1992) (affirming summary judgment of invalidity of patent), *cert. denied*, 508 U.S. 912 (1993); *Mark I Marketing Corp. v. R.R. Donnelly & Sons Co.*, 66 F.3d 285, 289 (Fed. Cir. 1995) (affirming summary judgment for defendant in patent suit), *cert. denied*, 116 S. Ct. 917 (1996).

Rule 59(e) motion to alter. *See* Pet. App. at 2a-17a. The Federal Circuit considered and rejected the same arguments on the merits, and then declined (without any dissent) to reconsider or rehear the case *in banc*. *See* Pet. App. at 18a-19a.

Both courts likewise plainly understand – despite Gilbarco's suggestion to the contrary – that they may not make credibility determinations on summary judgment. *See e.g., Lifescan, Inc. v. Can-Am Care Corp.*, 859 F. Supp. 392, 395-96 (N.D. Cal. 1994) (Ware, J.) (denying in part summary judgment of patent infringement on issue of consumers' understanding); *Albert v. Kevex Corp.*, 729 F.2d 757, 762-63 (Fed. Cir. 1984) (reversing summary judgment due to factual issue on fraudulent intent).[10] As described above, both courts correctly analyzed the record, applied this Court's standards, and reached the same conclusion: Gilbarco failed to produce any evidence sufficient to create a triable issue of fact.

Second, the decision in this case pertains to an issue exclusive to patent law, and this Court repeatedly has indicated that the Federal Circuit is uniquely qualified to apply and refine the Court's general standards in the patent-specific context. *See, e.g., Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 117 S. Ct. 1040, 1053 (1997) (leaving "it to the Federal Circuit how best to implement procedural improvements to promote certainty, consistency, and reviewability to this area of the law").

With respect to inequitable conduct, the Federal Circuit has proven itself capable of applying this Court's standards, denying summary judgment where the record presented a genuine factual issue. *See, e.g., KangaROOS U.S.A., Inc. v. Caldor, Inc.*, 778 F.2d 1571, 1577 (Fed. Cir.

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[10] Thus, for example, the Federal Circuit repeatedly has demonstrated the appropriate degree of caution in granting summary judgment in patent cases. *See, e.g., Baker Oil Tools, Inc., v. Geo Vann, Inc.*, 828 F.2d 1558, 1562-65 (Fed. Cir. 1987).

1985). However, in appropriate cases, the Circuit has applied those same standards to hold patents unenforceable as a matter of law. Indeed, on facts similar to (albeit less extreme than) those presented in this case – including undisclosed commercial sales and the submission of false affidavits – the Federal Circuit has properly affirmed summary judgment of inequitable conduct. *Paragon*, 984 F.2d at 1193.

Third, the decisions below are based heavily on the unique factual circumstances of this case – circumstances that are very unlikely to be repeated in future cases. As described in the *Counterstatement*, *supra*, the grant of summary judgment here was based both on a *prima facie* case of inequitable conduct *and* the failure by the inventor of the patent at issue to provide *any* explanation whatsoever for his misconduct. Thus, to the extent that the unpublished decisions below could impact the decision of future cases, that impact likely would be limited to those actions in which a patent holder responds to a serious charge of fraud by submitting *no evidence* from the patent inventor *and* blocking all other means of inquiry into that subject by the accused infringer. Such a narrowly circumscribed class of cases (this is the only such case of which Respondent is aware) does not merit this Court's review.

Fourth, the necessary implication of Gilbarco's arguments is that this Court should craft a special "exception" to its general summary judgment jurisprudence for cases involving intent, essentially precluding summary

disposition of such cases. But this is not the law.[11] To support its untenable position, Gilbarco relies principally on *Poller v. Columbia Broadcasting System, Inc.*, 368 U.S. 464, 473 (1962). This reliance is misplaced. As this Court made clear in *Anderson*, even where intent is at issue, "[w]e do not understand *Poller* . . . to hold that a plaintiff may defeat a defendant's properly supported motion for summary judgment . . . without offering any concrete evidence from which a reasonable juror could return a verdict in his favor." 477 U.S. at 256-57.[12]

Gilbarco's petition essentially concedes that it failed to produce any evidence of Dr. Lotito's actual state of mind. *See* Pet. at 16. In place of such evidence, Gilbarco asks the Court – despite the overwhelming and uncontradicted evidence of deceptive intent – to indulge Gilbarco in a host of unsupported "inferences" about what Dr. Lotito "could" have believed when he failed to disclose the withheld prior art and submitted his false declaration.

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[11] *Celotex*, 477 U.S. at 327 ("Summary judgment procedure is properly regarded not as a disfavored procedural shortcut, but rather as an integral part of the Federal Rules as a whole, which are designed 'to secure the just, speedy and inexpensive determination of every action.' ") (citations omitted).

[12] *Poller* is also factually inapposite. In that case, the Court held that "summary procedures should be used sparingly in complex antitrust litigation where motive and intent play leading roles, the proof is largely in the hands of the alleged conspirators, and hostile witnesses thicken the plot." 368 U.S. at 473. Here, by contrast, the relevant evidence was entirely in Gilbarco's hands: Dr. Lotito worked throughout the case as Gilbarco's paid consultant. Yet Gilbarco *still* failed to produce any evidence (even a sworn affidavit) testifying to Dr. Lotito's (supposed) good faith.

See Pet. at 16-18. But such "inferences" are not based on "concrete evidence," and they are not the stuff of which a reasonable jury verdict is made. Rather, Gilbarco's arguments are simply the speculation of Gilbarco's counsel about what might have happened and why Dr. Lotito might have engaged in his pattern of misconduct – speculation that, as discussed above, is squarely contradicted by the record. On these undisputed facts, the courts below properly rejected the speculations of Gilbarco's counsel and granted summary judgment. *See, e.g., First Nat'l Bank v. Cities Serv. Co.*, 391 U.S. 253, 288-90 (1968).[13]

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[13] Nor did either court below, as Gilbarco argues, ignore evidence or create any "conclusive presumption." To the contrary, as review of the district court's opinions reveal, the court carefully considered and analyzed *all* of the evidence and reached the correct conclusion compelled by that evidence: Dr. Lotito committed inequitable conduct and the '081 patent is therefore unenforceable as a matter of law. *See, e.g.*, Pet. App. at 2a, 15a.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be denied.[14]

Respectfully submitted,

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[14] In a final footnote, Gilbarco suggests that this Court summarily reverse the decision below. Given the correctness of the rulings, any such exercise of this Court's supervisory jurisdiction would be manifestly inappropriate. Indeed, in light of its own argument that the courts below erred by "failing to consider" certain of Gilbarco's "evidence," it is ironic – and indicative of the petition's lack of merit – that Gilbarco would even suggest reversal by this Court without consideration of *any* of the voluminous evidentiary record.